

January 17, 1984

LB 496

employee plans first even if you must put off paying other bills. This legislation says that you may put off paying the rent, interest, taxes, yes, ladies and gentlemen, you can go to jail for failure to pay taxes on time. You may skip paying your suppliers, your utilities, or even your wages, but you must pay into the pension plan or face going to jail. What an anomaly 496 is when you realize that there is no criminal penalty for failure to pay wages owed. This bill would mean that even if your employees have to starve now, pensions will be funded for later. This is not good policy for the State of Nebraska. But for what purpose is this preference suggested? None of the persons who supported this bill at its hearing could cite any instance where the sorts of employees programs covered by LB 496 were not paid for by the employer as set out in the contract. This is a classic case of a cure with no known disease. What's more, the cure has many harmful side effects as I have outlined in my remarks. With this in mind, I would urge you to very carefully consider your vote on LB 496. Thank you for your attention.

SPEAKER NICHOL: Senator Barrett, then Senator Marsh, then Senator Goodrich. Senator Barrett.

SENATOR BARRETT: Thank you, Mr. Speaker, and members, I also rise in opposition to LB 496. The bill is unnecessary. It is totally unnecessary. As the introducer has already suggested, the bill would subject employers to a criminal penalty of up to five years in prison, a \$10,000 fine, or both, for failing to make payments into health plans, vacation plans, pension plans, any other funds or any other plans that might be required by a collective bargaining unit. This type of legislation has been defeated by the Unicameral on previous occasions. This isn't the first time this bill has been around. If memory serves me correctly, this is the fourth time that legislation similar to this has been advanced to the floor or at least in committee. It has never seen the light of day. I would hope that the Legislature deals it a similar fate today. The bill is discriminatory. There is absolutely no question about it in my mind. It discriminates against only one party, that is the employer. It discriminates against an employer in a two-party agreement. It turns a private matter actually into a felony conviction and it is wrong. It is totally